

SELF-INSURED TRUST FUND BOARD OF TRUSTEES

MISSION: The Maricopa County Self-Insured Trust Fund is administered by the Board of Trustees. This trust provides for the establishment of self-insured retention programs by the Board of Supervisors in accordance with the provisions of Arizona law and authorizes the management, funding and administration of the Fund for direct payment of benefits, losses or claims, or any combination of insurance and direct payments.

FORMATION AUTHORITY: The Board of Trustees was established by the Board under the Self-Insured Trust Fund as adopted on April 6, 1981.

COMPOSITION: The Declaration of Trust prescribes the following composition under Section I, "Trustees," Number, Term of Office, Qualification and Composition; The Trust shall be administered by no less than six (6) joint Trustees, all of whom shall be citizens of the United States of America and residents of Maricopa County, Arizona. Each supervisorial district is to be represented by one Trustee, who will have been appointed by the supervisor of that district and approved by the Board of Supervisors. Said Trustees shall serve terms of three (3) years and shall not be employees of the County. In addition, the County Administrative Officer, or designee, shall serve as a Trustee. The County Administrative Officer's designee is subject to the approval of the Board and shall possess the following qualifications: 1) the designee shall be a County employee 2) the designee shall report directly to the County Administrative Officer; and 3) the designee shall be reasonably familiar with the subject matter of the appointment. All Trustees shall be at least 21 years of age and no person shall qualify as a Trustee until he or she has been approved by the Board of Supervisors. The term of office for a Trustee shall be for three (3) years, except that the designee of the County Administrative Officer shall serve for an indefinite term, subject to the removal and substitution by the Board, with or without cause. Any Trustee may be reappointed by the Board upon expiration of their term. Trustees shall not be entitled to compensation for their services as Trustee, except reimbursement for any reasonable out-of-pocket costs and expenditures made by the Trustees in the performance of their duties as Trustee. A trustee may resign at any time by giving notice in writing to the remaining Trustees and the Board. Such resignation shall take effect not later than sixty days from the date it is received by the Trustees and the Board. The Board may accept the resignation at any time within the sixty day period, and if not accepted within sixty days, the resignation shall be deemed accepted as a matter of law. Appointment of a successor automatically accepts the tendered resignation by the resigning Trustee. No resignation, once submitted, may be withdrawn prior to its consideration and approval or rejection by the Board. The Board may remove any Trustee for cause at any time by written notice thereof delivered to the Trustee. The resignation, incompetency, death, or for any other reason, when made by a majority of the remaining Trustees, set forth in writing and delivered to the Board of Supervisors, shall be final and conclusive for all purposes. If at any time, by reason of resignation, incompetency or death, there shall be no remaining Trustees, the Board of Supervisors shall forthwith appoint the requisite number of successor Trustees. The Trustees shall elect from their members, a Chairman who shall act as Chairman until such time as he or she resigns, or is removed by vote of the Trustees. An election of the Chairman may be called at the request of any three non-County employee members of the Trustees. At all meetings of the Trustees, a majority of the Trustees then serving shall constitute a quorum for the transaction of business.

DUTIES AND POWERS: The plan prescribes the following duties and responsibilities: Authorization for Payments for Disbursements from Trust. The Trustees shall authorize the Risk Manager to make such payments and disbursements from the Trust Fund as the Trustees shall determine from time to time for the purposes provided in this Trust Agreement and other applicable sections thereof. Records of Trust and Audit. The Trustees shall keep or cause to be kept accurate accounts of all investments, receipts, disbursements and other transactions hereunder, and all accounts, books and records relating thereto shall be open at all reasonable times to inspection and audit by the County or persons designated by the Board. The accounting and reporting system adopted by the Trustees shall conform and be integrated with and into the Accounting Resources Management System ("ARMS") procedure of the county. The Trustees shall cause an annual audit of the Fund to be performed by and External Auditor which reports shall be open for public inspection during normal business hours, and a copy of the auditor's report shall be kept in the files

of the County for a period of not less than five (5) years from the date of receipt. Reports to the Board. Within sixty (60) days following the close of each fiscal year of the County, the Trustees shall cause the Risk Manager to file with the Board a written report setting forth a summary, report and account of the operation of the Trust during the last fiscal year. The report shall include, among other things, the amount of monies held in the Fund as of the date of the report; the value of all investments held in the Fund as of the date of the report; all receipts and disbursements of funds and other material transactions affected by it, during such year, and showing all relevant matters pending as of the close of the fiscal year; a report on the reserves held by the Trust, and an itemized list and description of the litigation involving the County as of the end of the fiscal year. The report shall establish the applicable direct loss sustained by each department, board and commission during the period of the report, and the proportionate share of the indirect expenses or costs incurred in connection with the administration of the Trust chargeable to each department, agency, board or commission. Request for Appropriations. The Trustees through the Risk Manager shall present the Board on or before March 1 of each year or such later date as shall be established by the Board a budget request based upon the projected needs for the following fiscal year for the management and administration of the Fund. The request shall itemize the amount of the requested appropriation to be charged against each of the County Departments, agencies, boards and commissions. Any County department, agency, board or commission that receives an allocation of funds pertaining to insurance, whether appropriate or not, shall be billed for the proportionate share of the charges for insurance by the Trustees. Recovery of Funds. Any monies recovered by the County pursuant to litigation, recovery, salvage value of damaged property, proportionate share monies from any other existing County funds, or otherwise, for damages relating to either a liability or property loss for which monies from the Trust have been paid, shall be returned to the Trust and shown as a credit against the respective departments, agencies, boards or commissions as applicable. Reliance upon Documents. The Trustees may act upon any written notice, resolution, request, consent, order, certificate, report, opinion or other document believed by them to be genuine, and to have been signed or presented by the proper party or parties. Limitation of Duties of Trustees. The Trustees' duties and responsibilities shall be only those which are expressly imposed upon it by the provisions of this Agreement. The Trustees shall have no duty to enforce the payment of any appropriation to the Trust, nor shall it be liable for any act or default of any predecessor Trustee, or for any loss sustained by operations under the Trust Fund, except as provided by law or herein. Expenses of Trust. The Trustees shall have powers to authorize or confirm payment of the expenses of organization and administration of the Trust, including all legal and other expenses in connection with the preparation and carrying out the plan for the formation of the Trust."

MEETINGS: The Board of Trustees meets on the third Tuesday of each month at 234 N. Central Avenue, 1st Floor Conference Room.

LIAISON: Sara Latin, Administrative Coordinator, Phone (602) 506-6041, fax (602) 506-6290.